

## Message Text

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PAGE 01 DAR ES 02059 131515Z

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ACTION AF-06

INFO OCT-01 ISO-00 EB-07 /014 W  
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R 131220Z JUN 75

FM AMEMBASSY DAR ES SALAAM

TO USDOC WASHDC

INFO SECSTATE WASHDC 8607

AMEMBASSY NAIROBI

UNCLAS DAR ES SALAAM 2059

E.O. 11652: N/A

TAGS: BTIO, BFOL, TZ

SUBJECT: INVESTMENT OPPORTUNITY: RICE, SOYBEAN AND CORN PROJECT

REF: A) DAR ES SALAAM 4015, DEC. 9, 1974

B) DAR ES SALAAM 0620, MAR. 3, 1975

FOR FOREIGN INVESTMENT SERVICES DIVISION

1. RELEASE OF TANGOV BUDGET FOR FY 75/74 AND SIGNING OF USAID PROGRAM LOAN WITH PROVISION FOR FEASIBILITY STUDIES, HAS PUT AGRICULTURAL INVESTMENT PROJECTS DISCUSSED REFTEL BACK ON FRONT BURNER AGAIN. BY SEPTTEL WE ARE SUGGESTING TO CHEMONICS PRESIDENT FRANK FEFFER (SEE PARA 10 OF REFA) TO FIRM UP PREVIOUSLY LAID PRELIMINARY PLANS TO COME TO TANZANIA BEGINNING OF JULY TO ENTER FINAL NEGOTIATIONS TO SIGN FEASIBILITY STUDY CONTRACT.

2. OTHER COMPANIES ARE UNDER CONSIDERATION REGARDING OTHER FEASIBILITY STUDIES AND WOULD APPRECIATE YOUR INFORMING THEM OF FOREGOING:

A. EXPERIENCE INCORPORATED (K.E. HOLT) MINNEAPOLIS, MINNESOTA,  
TEL. 612-333-5231

(FYI: NAFCO, TANGOV IMPLEMENTING AGENCY, APPEARS FAVORABLY DISPOSED AT THIS TIME TOWARDS EXPERIENCE INCORPORATED PROPOSAL REGARDING SOYBEAN PROJECT)

B. MULTINATIONAL AGRIBUSINESS SYSTEMS INCORPORATED (CARL METZGER) TEL. 202-872-8782

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PAGE 02 DAR ES 02059 131515Z

(FYI: METZGER VISITED TANZANIA IN MARCH AND LEFT US WITH IMPRE-

SSION HE WOULD SUBJECT PROPOSAL REGARDING FEASIBILITY STUDY;  
NAFCO HAS NOT HEARD FURTHER AND WOULD APPRECIATE YOUR CALLING  
HIM TO SEE IF HE PLANS TO PURSUE MATTER FURTHER.

C. CORN PRODUCTION SYSTEMS (CPS), ROSEMEH, III. TEL. 312-692-  
3444

(FYI: COMPANY COMES RECOMMENDED TO NAFCO BY VISITING HUNGARIAN  
AGRICULTURAL GROUP. NAFCO WROTE TO CPS JUNE 2 TO INVITE THEM TO  
TAKE INTEREST IN TANZANIAN CORN PROJECTS. APPRECIATE YOUR  
PASSING INFO CONTAINED IN REF A. AND DETERMINING PRESENT  
LEVEL OF INTEREST.

3. YOU MAY WISH TO INFORM COMPANIES LISTED IN PARA 2 THAT  
SITUATION REGARDING AGRICULTURAL PROJECTS SAME AS DESCRIBED IN  
REF A AND REF B WITH TWO FUNDAMENTAL DIFFERENCES:

A. NAFCO GENERAL MANAGER NABURI TOLD EMBOFF ON JUNE 13 THAT  
HE FEELS THAT FINANCING OF PROJECTS MAY NOT BE PROBLEM ANY LONGER  
BUT THAT MANAGEMENT IS. HE BELIEVE THAT NON-US AID DONORS WILL  
FINANCE NAFCO LARGE-SCALE FARMING PROJECTS. HE WISHES TO MARRY  
US FARM-MANAGEMENT COMPANIES WITH FOREIGN AID FINANCING DEVELOP-  
MENT EFFICIENT FARMING OPERATIONS. KEY ELEMENT IS TO PRODUCE  
FEASIBILITY STUDIES SOONEST TO USE IN SELLING PROJECTS.

B. NEW TANGOV BUDGET PLACES HEAVY EMPHASIS ON PROFITABILITY  
OF STATE-OWNED COMPANIES. IF COMPANIES CANNOT PRODUCE THEY WILL  
BE DISSOLVED. NAFCO HAS NEVER BEEN KNOWN FOR ITS PROFITABILITY  
AND WITH MANAGEMENT NOW UNDER GREATER PRESSURE TO PRODUCE,  
WE ASSUME THAT DISCUSSIONS ON PROJECTS MENTIONED IN REFTELS IN  
WILL MOVE FORWARD FASTER FROM NOW ON.  
CARTER

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## Message Attributes

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**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
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**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
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**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
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**Reference:** 75 DAR ES SALAAM 4015, 75 DE9, 75 1974  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** greeneet  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 13 FEB 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <13 FEB 2003 by PhilliR0>; APPROVED <13 FEB 2004 by greeneet>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
06 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** INVESTMENT OPPORTUNITY: RICE, SOYBEAN AND CORN PROJECT  
**TAGS:** BTIO, BFOL, TZ  
**To:** COM  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006